

December 15th, 1959

COCOM Document No. 3710.72/2

COORDINATING COMMITTEE

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RECORD OF DISCUSSION

ON

ITEM 1072 - PRESSES

8th and 9th December, 1959

Present: Belgium (Luxembourg), France, Germany, Italy, Japan,
Netherlands, United Kingdom, United States.

References: COCOM Documents Nos. 3700.1 and .8, 3710.00/1, 3710.72/1,
W.P.1072/1 - 5.

1. At the opening of the second round of the review of Item 1072, the UNITED STATES Delegate stated that his authorities had reviewed the recent discussions on this item and had given further thought to the strategic characteristics of presses and to the situation in the Bloc. In an effort to reach a compromise solution, the Delegation had been authorised to make two further suggestions. They proposed first the addition of a Note to part (a) of the definition set out in paragraph 4 of COCOM Document 3710.72/1 (which reproduced the current wording of the item). This Note would read:

"NOTE: Governments may permit, as administrative exceptions, the export to the Bloc of the above presses up to but not including a total rated pressure of 8000 tons, provided that the exporting Government has satisfied itself that:

- (1) the presses will be installed in Bloc plants which are totally or primarily involved in producing non-military and non-strategic equipment; and
- (2) the presses are of types and sizes normally used for such production.

An adequate technical description of the equipment and the transaction is to be reported to the Committee monthly."

The Delegate further proposed the addition to the text set out in paragraph 4 of COCOM Document 3710.72/1 of a new sub-item (c) reading:

"(c) Presses specially designed or re-designed for the forming of metals, alloys or other materials with a melting-point exceeding 1900°C."

2. The UNITED STATES Delegate stated his authorities' view that all the presses covered by the present definition were strategic and were primarily used for military production in the United States - a circumstance which was even more true of the Sino-Soviet Bloc. In reference to the proposed note he indicated with reference to the 8000 tons cut-off that 14 of the 23 presses in the United States rated at 8000 tons or over were bought by the United States Government as an investment of \$300,000,000. These presses were used virtually entirely for military equipment or research and development work. The use of such presses currently ranged from 85% utilization to 5% with most finding use about 30-40% of the time. However, the value of the presses in strategic terms could not be related solely to usage time. The seven presses in the 8000 tons and over range which were owned by industry were also primarily used for production of strategic products for the military. The Delegate intimated that it was envisaged that the utilization of heavy presses for military equipment would be increasing and that it was quite possible that a shortage position would develop in the United States. To illustrate new uses being developed he cited several examples. The United States had a major project to use press forming techniques for missiles and space vehicles. The outlook for these plans was promising, and a substantial increase in the use of presses to this end was to be anticipated. A growing use of presses for forming ceramic products under very high pressures was also to be envisaged. The Delegate also mentioned a new metal forming process.

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which, if it passed its tests, might alone have as a consequence a shortage of such large presses in the United States. On the second new United States proposal the Delegate briefly related it to a comparable approach recently taken on rolling mills (Item 1305). He indicated that the same general rationale applied but noted that the present proposal included materials other than metals and alloys. This inclusion related to new developments, e.g. ceramics for which the largest United States press could only form pieces roughly 22 inches square.

3. The FRENCH Delegate introduced an expert who, having just returned from the U.S.S.R., reported his impression that the Soviet machine-tool industry was in a flourishing condition, especially where large-size tools were concerned. This led him to believe that in the field of presses also the progress made by the Soviet Union was impressive. The French Delegation therefore saw no reason to continue the embargo.

4. The ITALIAN Delegate welcomed the spirit of compromise shown by the United States Delegation. He would recommend parts (a) and (c) of their proposals for acceptance by his authorities. As to part (b), he could accept this ad referendum.

5. The GERMAN Delegate welcomed, as a step in the right direction, the United States proposal to make use of the administrative exception procedure, the principle of which the German Delegation could accept. They wished to make two comments, nevertheless. First, the conditions attached to use of this procedure were, they felt, somewhat theoretical in view of the circumstances in which trade with the Bloc was carried out. Information given to the exporting country about plant in which presses would be installed, and about the type of equipment therein produced, might or might not be accurate; there would be no means of verifying it. Secondly, as to the pressure cut-off, the German Delegation would have preferred a higher figure, for example 15,000 tons. As a compromise, they would be prepared to accept a figure between 8,000 and 15,000.

6. In conclusion, the German Delegate stated that his Delegation could accept the text just proposed for a new sub-item (c), but that, for sub-item (b) shown in paragraph 4 of COCOM 3710.72/1, they considered that a cut-off should be fixed.

7. The UNITED KINGDOM Delegate also welcomed the United States gesture, which was most encouraging. He shared, however, the view expressed by the German Delegate that the limits set to the circumstances in which administrative exceptions might be made were unrealistic. He pointed out that presses of the type and size concerned might not even be installed in an existing plant but might form the nucleus of a new one. He did not consider 8,000 tons to be an acceptable starting-point on this kind of case, and took note with interest of the German proposal of a figure between 8,000 and 15,000 tons. He was unable, however, without further study of these new proposals, to commit his Delegation to a view as to what might be a proper level. Perhaps divisions might be inserted into the text, specifying different cut-offs. It was desirable that all innocuous large equipment should be freed.

8. The Delegate stated that as to part (b) of the United States proposal: "Presses actuated by explosives", his Delegation were more hesitant than their German colleagues. They recognised, however, that some important technological know-how was probably involved despite the point made by the United States Delegation that the earliest of these presses had been patented in the United Kingdom sixty years previously. They considered that provision should nevertheless be made to exclude certain types of these presses from coverage by the definition.

9. As to the proposed new sub-item (c), the United Kingdom Delegation were sympathetic in principle. If other difficulties could be solved, the Delegate felt that agreement in this respect could easily be reached.

10. To sum up, the Delegation's view was that there was no case for the control of the normal type of forging presses of any size or for an embargo on hydraulic presses as such. They would be prepared, however, to look sympathetically on a proposal to embargo presses having special characteristics for military purposes, which they felt it would be possible to define specifically.

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11. The GERMAN Delegate shared the view that at this juncture the Committee's task was to specify the types of machinery which had special uses and therefore merited embargo.
12. The BELGIAN Delegate said that he could accept part (b) of the original United States proposal ad referendum. He would recommend both the new United States proposals to his authorities, but he felt that the conditions attached to the Note were unrealistic.
13. The JAPANESE Delegate stated that he had received instructions to accept part (b) of the original United States proposal. He would refer the new texts to his authorities and would recommend their acceptance.
14. The UNITED KINGDOM Delegation put forward the following compromise proposal:

"Presses, mechanical and hydraulic, as follows:

- (a) With rated pressures of 5,000 tons or over which either

- (i) are specially designed for use in forming aircraft or missile parts; or
(ii) are specially designed for use in powder metallurgy; or
(iii) are specially designed for use on ceramics;

- (b) Specially designed or re-designed for the forming of metals, alloys or other materials with a melting-point exceeding 1900°C.;

(c) With rated pressures of 25,000 tons or over;

- (d) Certain presses actuated by explosives. (To be defined)

15. After some further discussion the UNITED STATES Delegation stated their willingness to revise their proposals to read as follows:

"Presses as follows:

- (a) Mechanical or hydraulic, with total rated pressures of over 5,000 tons;

NOTE: Governments may permit, as administrative exceptions, the export to the Bloc of the above presses up to but not including a total rated pressure of 10,000 tons. An adequate technical description of the equipment and the transaction is to be reported to the Committee monthly.

- (b) Presses actuated by explosives;
(c) Presses specially designed or re-designed for the forming of metals, alloys or other materials with a melting-point exceeding 1900°C."

16. The United States Delegation further stated their willingness to study the proposal by the United Kingdom Delegation set out in paragraph 14 above. They believed that sub-items (a)(ii) and (a)(iii) of the suggested text might well be incorporated into the definition, but as to (a)(i) they felt that this would be difficult to apply uniformly in all participating countries.

17. The GERMAN Delegate said that he had been instructed to accept the text proposed by the United States, with slight amendments: the first was that in the Note to sub-item (a) the words "up to but not including a total rated pressure" should be changed to read: "up to and including ... etc."; and the second concerned the inclusion of a condition reading: "provided that the presses show none of the characteristics mentioned under (b) and (c) below". Since the receipt of these instruction, however, the United Kingdom Delegation had put forward a compromise proposal which merited consideration by the German authorities. The Delegate would therefore await the result of this study before expressing final views.

18. All Delegations having agreed to refer the new proposals to their authorities, the COMMITTEE agreed to resume discussion on Item 1072 on the 16th December.

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December 4th, 1959

COCOM Document No. 3710.72/1

COORDINATING COMMITTEERECORD OF DISCUSSIONONITEM 1072 - PRESSES29th October, 18th, 19th and 30th November, 1959

Present: Belgium (Luxembourg), Canada, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM Documents Nos. 3700.1 and .8, 3710.00/1, W.P.1072/1, 2 and 3.

1. The UNITED KINGDOM Delegation proposed the deletion of this item.
2. The proposal was accepted by Delegations except that of the UNITED STATES, who urged the retention of this item under embargo and stressed the predominantly military usage thereof.
3. The UNITED KINGDOM Delegation stated their reasons for believing that embargo was no longer justified under the present criteria, and the CHAIRMAN invited the United States Delegation to make an effort to join the majority upon resumption of the discussion during the second round.
4. On the 19th November the UNITED STATES Delegation submitted a proposal to redefine Item 1072 as follows:

"Presses, as follows:

- (a) Mechanical or hydraulic, with total rated pressures of over 5,000 tons;
- (b) Presses actuated by explosives."

The United States expert made a statement in justification of this proposal, and indicated that the evaluation covering "explosive forming" would be fully presented in a document (see W.P.1072/3).

5. ALL DELEGATIONS except that of the United States maintained their view that the item as defined up to the present should be deleted. As regards the proposal to embargo presses actuated by explosives, Delegations agreed to submit the new proposal to their Governments.

CONCLUSION: The COMMITTEE noted that agreement had not been reached on Item 1072, and agreed to resume its study during the second round of discussion.

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E.M.W.